



General Assembly

January Session, 2007

Raised Bill No. 1364

LCO No. 4938

04938_____HS_

Referred to Committee on Human Services

Introduced by:
(HS)

***AN ACT CONCERNING MEDICAID REIMBURSEMENT RATES TO
HEALTH CARE PROVIDERS.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (a) of section 17b-242 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective July*
3 *1, 2007*):

4 (a) The Department of Social Services shall determine the rates to be
5 paid to home health care agencies and homemaker-home health aide
6 agencies by the state or any town in the state for persons aided or
7 cared for by the state or any such town. [For the period from February
8 1, 1991, to January 31, 1992, inclusive, payment for each service to the
9 state shall be based upon the rate for such service as determined by the
10 Office of Health Care Access, except that for those providers whose
11 Medicaid rates for the year ending January 31, 1991, exceed the median
12 rate, no increase shall be allowed. For those providers whose rates for
13 the year ending January 31, 1991, are below the median rate, increases
14 shall not exceed the lower of the prior rate increased by the most
15 recent annual increase in the consumer price index for urban
16 consumers or the median rate. In no case shall any such rate exceed the

17 eightieth percentile of rates in effect January 31, 1991, nor shall any rate
18 exceed the charge to the general public for similar services. Rates
19 effective February 1, 1992, shall be based upon rates as determined by
20 the Office of Health Care Access, except that increases shall not exceed
21 the prior year's rate increased by the most recent annual increase in the
22 consumer price index for urban consumers and rates effective
23 February 1, 1992, shall remain in effect through June 30, 1993. Rates
24 effective July 1, 1993, shall be based upon rates as determined by the
25 Office of Health Care Access except if the Medicaid rates for any
26 service for the period ending June 30, 1993, exceed the median rate for
27 such service, the increase effective July 1, 1993, shall not exceed one
28 per cent. If the Medicaid rate for any service for the period ending June
29 30, 1993, is below the median rate, the increase effective July 1, 1993,
30 shall not exceed the lower of the prior rate increased by one and one-
31 half times the most recent annual increase in the consumer price index
32 for urban consumers or the median rate plus one per cent.] The
33 Commissioner of Social Services shall establish a fee schedule for home
34 health services. [to be effective on and after July 1, 1994.] The
35 commissioner [may] shall annually increase any fee in the fee schedule
36 based on [an increase in the cost of services. The commissioner shall
37 increase the fee schedule for home health services provided under the
38 Connecticut home-care program for the elderly established under
39 section 17b-342, effective July 1, 2000, by two per cent over the fee
40 schedule for home health services for the previous year] the increase, if
41 any, in the consumer price index for urban consumers. The
42 commissioner may increase any fee payable to a home health care
43 agency or homemaker-home health aide agency upon the application
44 of such an agency evidencing extraordinary costs related to (1) serving
45 persons with AIDS; (2) high-risk maternal and child health care; (3)
46 escort services; or (4) extended hour services. In no case shall any rate
47 or fee exceed the charge to the general public for similar services. A
48 home health care agency or homemaker-home health aide agency
49 which, due to any material change in circumstances, is aggrieved by a
50 rate determined pursuant to this subsection may, [within] not later

51 than ten days [of] after receipt of written notice of such rate from the
 52 Commissioner of Social Services, request in writing a hearing on all
 53 items of aggrievement. The commissioner shall, upon the receipt of all
 54 documentation necessary to evaluate the request, determine whether
 55 there has been such a change in circumstances and shall conduct a
 56 hearing if appropriate. The Commissioner of Social Services shall
 57 adopt regulations, [in accordance with chapter 54] pursuant to section
 58 17b-10, to implement the provisions of this subsection. The
 59 commissioner, in accordance with section 17b-10, may implement
 60 policies and procedures to carry out the provisions of this subsection
 61 while in the process of adopting regulations, provided notice of intent
 62 to adopt the regulations is published in the Connecticut Law Journal
 63 [within] not later than twenty days [of] after the date of implementing
 64 [the] such policies and procedures. Such policies and procedures shall
 65 be valid for not longer than nine months from the date of
 66 implementation.

67 Sec. 2. Section 17b-245a of the general statutes is repealed and the
 68 following is substituted in lieu thereof (*Effective July 1, 2007*):

69 [On and after April 1, 1996, in the determination of rates for
 70 federally qualified health centers, the]

71 (a) The Commissioner of Social Services shall apply Medicare
 72 productivity standards and a maximum allowable per visit cost of one
 73 hundred fifteen per cent of the median cost per visit when determining
 74 rates for a federally qualified health center.

75 (b) A federally qualified health center may, in accordance with
 76 administrative procedures established by the department, petition the
 77 commissioner not more than once in any fiscal year for an adjusted
 78 reimbursement rate under the Medicaid program.

79 Sec. 3. (*Effective July 1, 2007*) For the fiscal year ending on June 30,
 80 2008, the Commissioner of Social Services shall increase rates paid to
 81 home health care agencies and homemaker-home health aide agencies

82 under the Medicaid program for nursing services, home health aide
83 services and homemaker chore services by not less than five per cent of
84 the rate paid by the Department of Social Services for such services on
85 June 30, 2007.

86 Sec. 4. (*Effective July 1, 2007*) For the fiscal year ending on June 30,
87 2008, the Commissioner of Social Services shall increase rates paid to
88 home health care agencies and homemaker-home health aide agencies
89 under the Medicaid program for home health aide and hourly nursing
90 services provided to children with complex medical needs by not less
91 than twenty per cent of the rate paid by the Department of Social
92 Services for such services on June 30, 2007.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2007</i>	17b-242(a)
Sec. 2	<i>July 1, 2007</i>	17b-245a
Sec. 3	<i>July 1, 2007</i>	New section
Sec. 4	<i>July 1, 2007</i>	New section

Statement of Purpose:

To improve Medicaid reimbursement rates paid to providers of health care services.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]